



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-998

1,1,1,2-Tetrafluoroethane from the People's Republic of China: Antidumping Duty Investigation, Preliminary Determination of Sales at Less Than Fair Value, Affirmative Preliminary Determination of Critical Circumstances, in Part, and Postponement of Final Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

EFFECTIVE DATE: (Insert date of publication in the Federal Register.)

SUMMARY: The Department of Commerce ("Department") preliminarily determines that 1,1,1,2-Tetrafluoroethane ("tetrafluoroethane") from the People's Republic of China ("PRC") is being, or is likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 733 of the Tariff Act of 1930, as amended ("the Act"). The period of investigation ("POI") is April 1, 2013, through September 30, 2013. The estimated margins of sales at LTFV are shown in the "Preliminary Determination" section of this notice. The final determination will be issued 135 days after publication of this preliminary determination in the Federal Register. Interested parties are invited to comment on this preliminary determination.

FOR FURTHER INFORMATION CONTACT: Frances Veith or Bob Palmer, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4295 or (202) 482-9068, respectively.

## SUPPLEMENTARY INFORMATION:

### Scope of the Investigation

The product subject to this investigation is 1,1,1,2-Tetrafluoroethane, R-134a, or its chemical equivalent, regardless of form, type, or purity level. The chemical formula for 1,1,1,2-tetrafluoroethane is  $\text{CF}_3\text{-CH}_2\text{F}$ , and the Chemical Abstracts Service (“CAS”) registry number is CAS 811-97-2.

1,1,1,2-Tetrafluoroethane is sold under a number of trade names including Klea 134a and Zephex 134a (Mexichem Fluor); Genetron 134a (Honeywell); Suva 134a, Dymel 134a, and Dymel P134a (DuPont); Solkane 134a (Solvay); and Forane 134a (Arkema). Generically, 1,1,1,2-tetrafluoroethane has been sold as Fluorocarbon 134a, R-134a, HFC-134a, HF A-134a, Refrigerant 134a, and UN3159.

Merchandise covered by the scope of this investigation is currently classified in the Harmonized Tariff Schedule of the United States (“HTSUS”) at subheading 2903.39.2020. Although the HTSUS subheading and CAS registry number are provided for convenience and customs purposes, the written description of the scope is dispositive.

### Methodology

The Department conducted this investigation in accordance with section 731 of the Act. We calculated export prices and constructed export prices in accordance with section 772 of the Act. Because the PRC is a non-market economy within the meaning of section 771(18) of the Act, normal value (“NV”) was calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum hereby adopted by this notice.<sup>1</sup> The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available to registered users at <http://iaaccess.trade.gov>, and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at <http://trade.gov/enforcement/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

Preliminary Affirmative Determination of Critical Circumstances, in Part

On February 19, 2014, Petitioner timely filed an amendment to the petition, pursuant to section 733(e)(1) of the Act and 19 CFR 351.206(c)(2)(i), alleging that critical circumstances exist with respect to imports of the merchandise under consideration.<sup>2</sup> We preliminarily determine that critical circumstances do not exist for Bluestar but do exist with respect to Weitron, non-individually examined companies, and the PRC-wide entity. For a full description of the methodology and results of our analysis, see the Preliminary Decision Memorandum.

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<sup>1</sup> See "Decision Memorandum for Preliminary Determination for the Antidumping Duty Investigation of 1,1,1,2-Tetrafluoroethane from the People's Republic of China," from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, dated concurrently with this notice ("Preliminary Decision Memorandum").

<sup>2</sup> See Letter from Petitioner to the Department, Re: "1,1,1,2 Tetrafluoroethane from The People's Republic of China: Critical Circumstances Allegation," February 19, 2014.

## Combination Rates

In the Initiation Notice,<sup>3</sup> the Department stated that it would calculate combination rates for the respondents that are eligible for a separate rate in this investigation. Policy Bulletin 05.1 describes this practice.<sup>4</sup>

## Preliminary Determination

The preliminary weighted-average antidumping duty (“AD”) margin percentages are as follows:

<b>Exporter</b>	<b>Producer</b>	<b>Weighted-Average Margin (%)</b>
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Zhejiang Quhua Fluor-Chemistry Co., Ltd.	133.47
Weitron International Refrigeration Equipment (Kunshan) Co., Ltd.	Sinochem Environmental Protection Chemicals (Taicang) Co., Ltd.	133.47
Jiangsu Bluestar Green Technology Co., Ltd.	Jiangsu Bluestar Green Technology Co., Ltd.	237.33
Shandong Dongyue Chemical Co., Ltd.	Shandong Dongyue Chemical Co., Ltd.	187.48
T.T. International Co., Ltd.	Sinochem Environmental Protection Chemicals (Taicang) Co., Ltd.	187.48
T.T. International Co., Ltd.	Zhejiang Quhua Fluor-Chemistry Co., Ltd.	187.48
T.T. International Co., Ltd.	Jiangsu Bluestar Green Technology Co., Ltd.	187.48
T.T. International Co., Ltd.	Zhejiang Sanmei Chemical Ind, Co., Ltd.	187.48
T.T. International Co., Ltd.	Zhejiang Pujiang Bailian Chemical Co., Ltd.	187.48
T.T. International Co., Ltd.	Jiangsu Jinxue Group Co., Ltd.	187.48
T.T. International Co., Ltd.	Zhejiang Quzhou Lianzhou Refrigerants Co., Ltd.	187.48
Zhejiang Sanmei Chemical Industry Co., Ltd.	Zhejiang Sanmei Chemical Industry Co., Ltd.	187.48
Zhejiang Sanmei Chemical Industry Co., Ltd.	Jiangsu Sanmei Chemicals Co., Ltd.	187.48

<sup>3</sup> See 1,1,1,2-Tetrafluoroethane from the People’s Republic of China: Initiation of Antidumping Duty Investigation, 77 FR 73832, 73836 (December 9, 2013) (“Initiation Notice”).

<sup>4</sup> See Enforcement and Compliance’s Policy Bulletin No. 05.1, regarding, “Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries,” (April 5, 2005) (“Policy Bulletin 05.1”), available on the Department’s Web site at <http://enforcement.trade.gov/policy/bull05-1.pdf>.

<b>Exporter</b>	<b>Producer</b>	<b>Weighted-Average Margin (%)</b>
PRC-Wide Entity <sup>5</sup>		237.33

### Disclosure and Public Comment

We will disclose the calculations performed to parties in this proceeding within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which the final verification report is issued in this proceeding and rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.<sup>6</sup> A table of contents, list of authorities used, and an executive summary of issues should accompany any briefs submitted to the Department.

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically at Enforcement and Compliance's electronic records system, IA ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5:00 p.m. Eastern Standard Time, within 30 days after the date of publication of this notice.<sup>7</sup> Hearing requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues you intend to present at the hearing. If a request for a hearing is made, the

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<sup>5</sup> This also includes Zhejiang Bailian Industry and Trade, Jiangsu Jin Xue Group Co., Ltd., SC Ningbo International Ltd, Sinochem Environmental Protection Chemicals (Taichang) Co., Ltd., Sinochem Ningbo Ltd., Zhejiang Quhua Fluor-Chemistry Co., Ltd., Zhejiang Quzhou Lianzhou Refrigerants Co., Ltd. and Aerospace Communications Holdings, Co. Ltd.

<sup>6</sup> See 19 CFR 351.309.

<sup>7</sup> See 19 CFR 351.310(c).

Department intends to hold the hearing at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230, at a time and location to be determined.

Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Pursuant to section 735(a)(1) of the Act, we will make our final determination no later than 135 days after the date of publication of this preliminary determination.

#### Suspension of Liquidation

In accordance with section 733(d) of the Act the Department will instruct U.S. Customs and Border Protection (“CBP”) to suspend liquidation of all entries of tetrafluoroethane from the PRC, as described in the “Scope of the Investigation” section, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the Federal Register.

Pursuant to 19 CFR 351.205(d), the Department will instruct CBP to require a cash deposit<sup>8</sup> equal to the weighted-average amount by which NV exceeds U.S. price, adjusted where appropriate for export subsidies and estimated domestic subsidy pass-through,<sup>9</sup> as follows: (1) the cash deposit rate for the exporter/producer combinations listed in the table above will be the rate the Department determines in this preliminary determination; (2) for all combinations of PRC exporters/producers of merchandise under consideration that have not received their own separate rate above, the cash-deposit rate will be the cash deposit rate established for the PRC-wide entity; and (3) for all non-PRC exporters of merchandise under consideration which have

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<sup>8</sup> See Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations, 76 FR 61042 (October 3, 2011).

<sup>9</sup> See sections 772(c)(1)(C) and 777A(f) of the Act, respectively. Unlike in administrative reviews, the Department calculates the adjustment for export subsidies in investigations not in the margin calculation program, but in the cash deposit instructions issued to CBP. See Notice of Final Determination of Sales at Less Than Fair Value, and Negative Determination of Critical Circumstances: Certain Lined Paper Products from India, 71 FR 45012 (August 8, 2006), and accompanying Issues and Decision Memorandum at Comment 1.

not received their own separate rate above, the cash-deposit rate will be the cash deposit rate applicable to the PRC exporter/producer combination that supplied that non-PRC exporter.

We did not adjust the preliminary determination AD margins for export subsidies because the Department found no evidence of export subsidies in the companion countervailing duty (“CVD”) proceeding. Additionally, the Department did not adjust the preliminary determination AD margins for estimated domestic subsidy pass-through because respondents provided no information to support an adjustment pursuant to section 777A(f) of the Act.<sup>10</sup>

#### Postponement of Final Determination and Extension of Provisional Measures

Pursuant to a request from Weitron, we are postponing the final determination and extending the provisional measures from a four-month period to no more than six months. Accordingly, we will make our final determination no later than 135 days after the date of publication of this preliminary determination, pursuant to section 735(a)(2) of the Act.<sup>11</sup>

#### International Trade Commission (“ITC”) Notification

In accordance with section 733(f) of the Act, we notified the ITC of our preliminary affirmative determination of sales at LTFV. Section 735(b)(2) of the Act requires the ITC to make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of tetrafluoroethane, or sales (or the likelihood of sales) for importation, of the merchandise under consideration within 45 days of our final determination.

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<sup>10</sup> See Preliminary Decision Memorandum.

<sup>11</sup> See also 19 CFR 351.210(e).

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

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Paul Piquado  
Assistant Secretary  
for Enforcement and Compliance

May 21, 2014  
Date



List of Topics Discussed in the Preliminary Decision Memorandum:

1. Initiation
2. Period of Investigation
3. Postponement of Preliminary Determination
4. Scope of the Investigation
5. Scope Comments
6. Selection of Respondents
7. Critical Circumstances
8. Discussion of the Methodology
  - a. Non-market Economy Country
  - b. Surrogate Country
  - c. Surrogate Value Comments
  - d. Separate Rates
  - e. Margin for the Separate Rate Companies
  - f. Combination Rates
  - g. The PRC-wide Entity
  - h. Application of Facts Available and Adverse Facts Available
  - i. Affiliation
  - j. Date of Sale
  - k. Fair Value Comparisons
  - l. Export Price
  - m. Constructed Export Price
  - n. Normal Value
  - o. Factor Valuations Methodology
  - p. Comparison to Normal Value
  - q. Currency Conversion
9. Verification
10. Section 777A(f) of the Act
11. International Trade Commission Notification
12. Conclusion